Background Information

Arctic Rule:

On July 15, 2016, the Department of Interior – Bureau of Safety and Environmental Enforcement (BSEE) and Bureau of Ocean Energy Management (BOEM) – finalized the "Oil and Gas and Sulfur Operations on the Outer Continental Shelf" rule. The rule, which governs all future offshore exploration in the Beaufort Sea and Chukchi Sea, has faced significant criticism since its proposal, particularly regarding its overly prescriptive application of restrictions, extreme costs, and failure to consider the substantial innovations in safety technology that are suitable for the low pressure/low temperature environment in the Arctic – as opposed to high pressure/ high temperature needs of the Gulf of Mexico. The Department of Interior cost-benefit analysis has estimated the rule will cost \$2.1 billion in compliance, adding exorbitant costs to the already billions of dollars needed to acquire leases and responsibly develop in the Arctic.

Although the Obama administration excluded <u>Arctic lease sales in its 2017-2022 Final Program</u> and unilaterally placed a majority of the <u>Arctic OCS off limits to future exploration</u>, Congressman Young's actions represent a multi-pronged approach to overturn these actions and restore viability for future exploration and development in the Arctic.

The Beaufort and Chukchi seas together form one of the most prospective basins in the world, with an estimated 23.6 billion barrels of oil and 104.4 trillion cubic feet of natural gas. A 2011 analysis found that development of those resources would create an annual average of 55,000 jobs over a 50-year period and generate a total of \$193 billion for local, state, and federal treasuries. According to a 2014 poll, 73 percent of Alaskans support Arctic OCS development.

<u>Click here</u> to view the rule in the federal register.

U.S. Fish and Wildlife Management Rule

On August 5, 2016, the Department of Interior and U.S. Fish and Wildlife Service released its final "Non-Subsistence Take of Wildlife, and Public Participating and Close Procedures, on National Wildlife Refuges in Alaska" rule. The rule fundamentally undermines Alaska's authority – outlined in the Alaska National Interest Lands Conservation Act (ANILCA) and the Alaska Constitution – to manage fish and wildlife on state, private and federal lands. The rule applies broadly to 16 federal wildlife refuges in Alaska, amounting to 76.8 million acres or 20 percent of the state, and seizes management authority away from the State of Alaska for both non-subsistence and subsistence uses.

The State of Alaska filed a lawsuit against the Department of Interior and Fish and Wildlife Service on January 13, 2017 to overturn the August 5th final rule.

Click here to view the rule in the federal register.